

CENTRAL INTELLIGENCE AGENCY

REPORT

INFORMATION FROM
FOREIGN DOCUMENTS OR RADIO BROADCASTS

COUNTRY Albania

SUBJECT Economic - Two-Year Plan

HOW

PUBLISHED Monthly periodical

WHERE

PUBLISHED Moscow

DATE _____

PUBLISHED Aug 1949

LANGUAGE Russian

DATE OF INFORMATION 1949

DATE DIST. 22 Nov 1949

NO. OF PAGES 1

SUPPLEMENT TO
REPORT NO.

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SOURCE Vneshnyaya Torgovlya, Vol XIX, No 8, 1949.

ALBANIAN ECONOMIC DEVELOPMENT AND THE TWO-YEAR PLAN

In 1948, the total volume of Albanian economic production was 321.6 percent of the 1938 level. Petroleum production had risen to 159.7 percent of the 1938 level, bitumen production to 142.6 percent, and coal to 573.9 percent.

During 1948, a 5,000-spindle textile mill in Shkoder, a fruit-preserving factory in Elbasan with an annual processing capacity of 3,000 tons of fruit, a sugar refinery in Korce capable of producing 2,000 tons of sugar per year, and rope and furniture factories were put into operation. The construction of the "Selita" Hydroelectric Power Plant was continued. Oil mills, weaving mills, and shoe factories, a copper smelter, electric power plants, a telegraph and telephone net, and petroleum refinery installations were rebuilt. As a result of this reconstruction, the production capacity of the Albanian petroleum-refining installations was increased to 90,000 tons of crude oil per year, the copper smelters have reached a capacity of 1,200 tons of copper per year, and the shoe factories can produce 90,000 pairs of shoes per year.

In 1947, the Durres-Peqin railroad line, the first in Albania, was finished, a paved highway was built between Kukes and Peshkopi, and 354 kilometers of irrigation and drainage canals were built. In 1948, a labor force of 20,000 volunteers began the construction of a new 37-kilometer railroad line linking Tirana with the port of Durres. This line was put into service in February 1949.

During 1948 a total of 7,802 houses were built, 298 schools were opened, 5,787 linear meters of bridges were built, including a bridge 143 meters long over the Drin i si (Black Drin), and an oil pipe line was laid from the Patos oil wells to the port of Valona.

In 1948, the planted area reached 317,000 hectares, or 143.4 percent of the 1946 figure. The total yield of grain in 1948 was 266,200 tons, or 32.3 percent more than in 1938. There were only four tractors in Albania in 1938, but now there are seven machine-tractor stations handling 134 tractors and 3,480 other agricultural machines. In 1948, the machine tractor stations plowed 40 percent of all the arable land belonging to the farm labor cooperatives.

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The first 56 of these cooperatives had a membership of 2,428 farm families and owned two tractors, 43 reapers, and 1,190 plows. In addition, the facilities of the machine-tractor stations were made available to them. The number of farm labor cooperatives is increasing constantly.

In 1948, a total of 5,294 hectares, or 1.7 percent of all the arable land in Albania, belonged to state farms. There were 100,000 head of livestock on state stock farms.

In June 1949, the Two-Year Economic Plan for 1949 and 1950 was approved. The Plan provides for an investment of 26.3 percent of all capital expenditures for industry, 20.2 percent for mining and petroleum production, 3.2 percent for local industry, and 13.7 percent for agriculture.

The following table shows the allocation of capital investments in the basic branches of the economy, in millions of lek:

	<u>1947</u>	<u>1948</u>	<u>1949</u>	<u>1950</u>
Extractive and manufacturing industry	210.8	505.8	839.6	1,100.3
Transportation	545.0	485.0	621.2	468.6
Agriculture	188.6	288.0	271.9	296.3

Investments for 1949 and 1950 include:

	<u>1949</u>	<u>1950</u>	<u>Total</u>
Prospecting	456	380	
Petroleum industry	264	214	
Mining: (total for both years)			
Chrome ore			12
Bitumen			48
Copper ore			23
Textile industry	46	306	
Food industry	45	185	
Leather, shoe, and rubber industry			12
Construction of machine shops			20
Electrical industry	152	155	
Building materials			30

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Production increases called for by the Two-Year Plan (1948 - 100) were as follows:

	<u>1949</u>	<u>1950</u>
Petroleum	124	160
Bitumen	104	123
Chromite ore	288	572
Copper	214	363
Coal	204	255
Cement	151	156
Wood	195	246
Shoes	182	872
Hides	92	142
Vegetable oil	108	171
Macaroni products	172	246
Tobacco products	124	124

In accordance with the emphasis on mineral production in the Two-Year Plan, the laying of a new oil pipe line will be completed and the construction of a petroleum refinery started in 1949. The plan provides for the construction of a sugar factory with a capacity of 10,000 tons and of an oil-mill able to produce 4,000 tons per year, both to be put into operation in 1951. The same year, a textile combine with an annual production capacity of 20 million meters of cloth is to begin operating. Leather and macaroni factories are to be rebuilt and a number of other enterprises built.

The plan calls for a planted area of 332,000 hectares in 1949 and 357,000 in 1950, of which [latter] figure 245,800 hectares are to be planted in bread grains, 33,600 hectares in industrial plants, 63,300 hectares in feed grains, and 14,900 hectares in vegetables, including potatoes.

Plantings of the basic crops will show the following increases (1948 - 100):

	<u>1949</u>	<u>1950</u>
Wheat	116	125
Corn	103	112
Oats	159	161
Cotton	231	257
Sugar beets	109	122
Vegetables	109	129
Potatoes	121	150

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In 1949, reclamation work will be carried out on Lake Maliq, in the Beden and Myzeqe valleys and in the vicinity of the Berat-Ura Canal.

During 1949, the number of tractors in the machine-tractor stations is scheduled to increase to 217, and the area cultivated by them to 56,600 hectares, or 16 percent of the total area under crops. The planted area on state farms is scheduled to increase to 7,100 hectares, and the number of tractors on state farms will increase from 42 in 1948 to 72 in 1950.

The plan provides for an increase in the number of livestock from 408,000 head in 1948 to 437,000 head in 1950, as follows (1948 = 100):

	1949	1950
Cattle	103	106
Sheep	103	121
Hogs	160	240

Enver Hoxha has announced that the USSR will furnish equipment for the textile combine in Tirana, the sugar factory in Maliq, two wood-seasoning establishments, factories for impregnating wood and curing tobacco, plywood factories, and other enterprises during 1949 and 1950, on credit. In addition, the USSR will install various kinds of machinery, instruments, pipes, rails, etc. Hoxha added that in 1941 and 1952 the USSR would supply Albania with equipment for a petroleum refinery with an annual production capacity of 150,000 tons and equipment for a thermal power plant, equipment for seasoning wood, complete machinery to finish a wool weaving mill, equipment for a cement factory, and equipment for a 60-kilowatt medium-wave radio station. The USSR will also give Albania technical assistance in research, designing, and installation.

In January 1949, Albania concluded a trade agreement with Poland, whereby Poland will furnish Albania, on credit, with two ships of 500 - 600 tons, three Diesel engines of 400 - 500 horsepower each, railroad tank cars, metallurgical coke, sugar, cloth, and other goods.

On 12 March 1949, a trade agreement with Czechoslovakia was signed in Prague, providing for reciprocal trade worth 3,350,000 dollars. Albania will import motor vehicles, mining machinery, various industrial equipment, agricultural machinery, textile products, and glassware from Czechoslovakia, and will export iron and chrome ore, lumber, medicinal herbs, etc., to Czechoslovakia.

On 14 March 1949, a trade agreement was signed in Budapest by Albania and Hungary, which provides for an exchange of goods worth 1,730,000 dollars, including the commodities that Hungary will supply on credit. Albania will import from Hungary various machines, spare parts, and consumers' goods, and will export bitumen and other materials to Hungary.

On 30 March 1949, Albania and Rumania signed a trade agreement in Bucharest providing for an exchange of goods amounting to 3 million dollars. Albania has begun to import petroleum products, grain, lumber, cement, paper, etc., from Rumania, and to export chrome ore, cotton, hides, livestock, and other goods to Rumania.

On 22 April 1949, an agreement with Bulgaria was signed in Sofia whereby Albania will import industrial products, agricultural products, and breeding stock from Bulgaria, with the help of credit extended by the Bulgarian government, and will export cotton, petroleum, citrus fruit, olives, etc., to Bulgaria.

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